

2011 IWO Employer Webinar

Employer Questions and Answers

- 1. I process a weekly and a semi-monthly payroll. Can I change the weekly support payment to semi-monthly so that I only transmit twice per month?**

Yes, you can combine two weekly payments and send in one payment twice monthly.

- 2. What if we are given less than 24 hours notice if an EE receives a bonus payment, and how much will it be? How can we notify you and receive an IWO for that payment, given the time frame?**

Contact our office by phone, fax, or email (via the online Employer Inquiry Form at www.sandiegochildsupport.org) and advise us that your employee will receive a bonus payment. Our office will generate and fax you a Lump Sum One-Time Withholding Order which gives the amount the employee owes.

- 3. Can we still send payments by check? I thought it was all done electronically now.**

You can send in payments by check to the State Disbursement Unit (SDU), unless you pay your tax or employment obligations to the California Franchise Tax Board or the Employment Development Department by Electronic Fund Transfer (EFT). Then, by law, you must also remit child support income withholding payments to the SDU by EFT. The SDU encourages all employers who can do so to pay electronically.

- 4. What if you do not have the employee's new information?**

Not a problem. When you notify our office that the employee no longer works for you, also mention you do not have any new information on their whereabouts.

- 5. Is there a way to electronically submit the payments?**

Yes, you can contact the State Disbursement Unit (866-901-3212) to set up electronic payments or access the information on the state child support website www.childsup.ca.gov.

- 6. What is the policy if an employee is not working due to being out on disability? How and who do we notify so it does not look like we are avoiding making the payments?**

Please notify our office that the employee is not working and as of what date. Also let us know when the employee is expected to return to work. The employee will still be responsible to make any payments while they are not receiving a paycheck and he or she should be encouraged to contact our office.

- 7. What if we received the IWO a little late at our mailbox?**

Please start garnishing the employee's paycheck within 10 days of receipt of the Income Withholding Order.

8. Should we retro withhold the amount based on the date of the IWO?

No, you should not retro withhold from an employee's paycheck.

9. When I submit my payments online, I don't see where there is a place to put the pay dates for each employee's withholding amounts.

It is not necessary to include a date of withholding in every instance. The Legal Date of Collection of each payment is determined by when the State Disbursement Unit receives and posts the payment.

10. Do you ever have court orders that are payable directly to the payee and not to the state?

Our office will only send an employer an Income Withholding Order that is payable to the State Disbursement Unit. You may receive a private order through Family Court (one that is not being enforced by our department) listing an individual payee but most of those orders are now being written as payable to the State Disbursement Unit. If you do receive an IWO payable to an individual, please contact the SDU at 866-901-3212.

11. The employee I have that is being garnished for child support is off on worker's compensation. Is it necessary to let the county know this? Also, I have been sending in his payment on a month basis only. Do I need to change this to weekly?

Yes, we want the employer to notify our office that the employee is receiving worker's compensation. Our office sends an IWO to the insurance company handling the Workers' Compensation Appeal Board (WCAB) claim to obtain child support payments from the employee's monthly disability benefits. We also file a lien in the WCAB case to collect past-due support from the final worker's compensation settlement.

12. When someone is terminated and is rehired, for example, a year later, should we use the same old withholding order or should we receive a new one?

If you still have the original Income Withholding Order, you can begin garnishment within 10 days of the employee's restart date. However, it is best to contact our office by phone, fax, or the online Employer Inquiry Form to let us know the employee has returned to work. That way we can verify if the terms are still the same as the original Income Withholding Order.

13. How do you control when an employee with an IWO wants to go exempt or claims more deductions than you know he has children?

The employee can claim any number of deductions. You would still only be able to garnish up to 50% of their paycheck. The employee would still be responsible to pay the difference of the amount garnished and the amount of their court ordered terms. This would only reduce the amount you as an employer are to withhold, not the amount of their child support obligation.

14. Another question, we pay on a bi-weekly pay cycle so we utilize the bi-weekly deduction amounts. Our company issues off-cycle payments for wages (i.e., missing hours not submitted on time for payroll processing). How can we calculate that deduction amount?

This would be the same calculation: deduct up to 50% of each payment the employee receives.

15. For weekly payroll deductions, can we combine four weeks' worth and submit it once per month to the CA Disbursement Unit?

Yes, you can combine weekly and bi-weekly payments and send in one payment per month to the State Disbursement Unit. However, know that the employee receives credit for the payment on the date it is received by the SDU. Please be sure to remit payments so they post during the month support is owed. Allow additional time if mailing payments to the SDU (e.g., mail by the 20th of each month).

16. We are a union employer and we don't have the employee's information on the health or dental, what should we put into that section of the IWO?

Please clarify which union or group health plan provider, including address and phone number, the health assignment will be forwarded to for processing. We will be going into more details during our NMSN webinar next February. Until then, you can direct questions to our department through the Employer Inquiry Form (www.sandiegochildsupport.org) or by calling 866-901-3212.

17. If there is a medical support order, is that amount (premium) deductible as "mandatory" as taxes are in calculating 50% max that can be withheld?

No. It is not a factor in establishing the Net Disposable Income (NDI) but it is factored into the priority in what is taken into account, or covered, in the maximum amount withheld. Basically, deductions are prioritized in the following order:

1. current child support
2. current medical support
3. current monthly health premiums
4. current spousal support
5. child support arrears
6. medical support arrears
7. spousal support arrears

It becomes more complex when multiple orders are involved. Please contact our office in those instances. You can find more detail on this in the Child Support Employers Handbook.

18. Can payment be sent to [a] beneficiary rather than [the] SDU?

No. All Income Withholding Orders from our office must be paid to the State Disbursement Unit.

19. We do weekly payroll runs, can payment be sent once a month rather than weekly?

Yes, you can combine weekly and bi-weekly payments and send in one payment per month to the State Disbursement Unit.

20. What if an employee is terminated or quits and has already paid two payments for the month (semi-monthly) - do we still withhold another payment?

Yes, if the last regular paycheck is being processed in the same month and the monthly terms of the IWO were not met by the previous withholdings, then remit the difference. If the last regular paycheck is being processed the month following termination, you should still remit payment pursuant to the terms of the IWO up to full monthly terms. If the last paycheck is a severance payment, contact our office so we may issue a one-time lump sum IWO. You are only withholding from paychecks when the employee has earnings. If the employee has terminated and no earnings are due, no withholding would be warranted. Please advise our office anytime an employee is no longer working with your company.

21. What happens if I receive an amended IWO for an employee more than once but the IWO [has] the same deductions on record?

You can disregard any duplicate Income Withholding Orders as long as the case number, Superior Court number, and children listed are the same. If you are not sure, please contact our office so we can verify if the Income Withholding Order was a duplicate.

22. Do you send the order to the employee or is it only sent to the employer?

The child support court order is always sent to the employee but not the income withholding order. The employer should receive two copies of the income withholding order and should provide one to the employee. If the employer only receives one copy, please make a copy and provide it to the employee.

23. Is the online payments something new? It is such a benefit, and will be a time saver.

The phased transition of local child support agencies' collection and disbursement activities to the State Disbursement Unit (SDU) began effective November 2005 to minimize the impact on customers and to ensure smooth transitions. San Diego County transitioned in wave 4 in March 2006.

24. Do we notify the local office if [an] employee is laid off but not terminated?

Yes. Please contact our office if the employee is laid off. Our office would want to know why Income Withholding payments have stopped.

25. I know this is for employers, but if you have employees that are owed an extreme amount of money, how do you find out if he is on disability or what so that she can get her money?

If the employee is owed child support arrears and the case is being administered by San Diego DCSS, he or she can contact our office. We can review the case for enforcement actions. Our office also has an electronic interface with the Employment Development Department to intercept unemployment/disability benefits if child support arrears of \$150 or more are owed on the case.

26. We are a union shop, and each person gets vacation pay, typically \$2.42 per hour, can you attach this for back child support, to satisfy money owed? It is paid on 12-1 of every year.

Yes, in this scenario you should contact our office to request that a one-time lump sum IWO be issued.

27. What about [an] employee's portion of their medical insurance premium being included in deductions when calculating NDI?

Health insurance premiums are deducted after calculating NDI. Prioritize deductions in the following order:

1. to current child support
2. to current medical support
3. to monthly health premiums and/or other current medical support
4. to payment of ordered support arrears
5. to any remaining ordered amounts.

28. Does this department also handle the Medical Support Notices? If so, will you be doing a presentation on the processing of those?

Yes. Our department does handle Medical Support. We will have another webinar in February that covers Medical Support. If you have any questions before that date, please contact us by using the Employer Inquiry Form on our department website or call our office at 866-901-3212 and we can answer them for you.